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INTERNATIONAL NOTES

Editors' Note: The period from November 15, 1920, to May 15, 1921, has been covered by these notes. The report of the Assembly of the League of Nations has been taken from an official summary of the meetings prepared by the Information Bureau of the League. Attention is called to Dr. Charles H. Levermore's booklet on "What the League of Nations has Accomplished in One Year," published by the Brooklyn *Daily Eagle*; also to his shorter article in this issue of the Journal. The editors wish to acknowledge the assistance of Professor Walter B. Pitkin, of Columbia University, in preparing the notes on the Far East.

ASSEMBLY

The first meeting of this body opened on November 15, under M. Paul Hymans, head of the Belgian delegation, as temporary president. Forty of the forty-five states, qualified by accession to the Covenant or by original membership to send delegates, were represented. Honduras, who was unofficially represented, and Nicaragua completed ratification before the Assembly closed, leaving the Hedjaz, Ecuador and the United States not included in the League. The states sending delegates were as follows:

Argentine Republic	Greece	Peru
Australia	Guatemala	Poland
Belgium	Haiti	Portugal
Bolivia	Honduras	Rumania
Brazil	India	Salvador
Canada	Italy	Serb-Croat-Slovene
Chile	Japan	State
China	Liberia	Siam
Colombia	Netherlands	South Africa
Cuba	New Zealand	Spain
Czecho-Slovakia	Norway	Sweden
Denmark	Panama	Switzerland
France	Paraguay	Uruguay
Great Britain	Persia	Venezuela

M. Hymans was elected president of the Assembly with M. Motta, President of Switzerland, as honorary president. The machinery of the Assembly developed into a steering committee composed of the president and twelve vice-presidents, the first six vice-presidents to serve by virtue of their election as presidents of one of the six main committees, and the second six as the result of election from the main body of 120 delegates.

The most important of the twenty-six articles of procedure, framed by the Secretariat and adopted with a few changes,

provides for an annual meeting on the first Monday in September, and at such other times as decided either by itself, by a majority of the Council, or by the request of ten members of the League.

The four non-permanent Council members for the coming year were approved on December 15. Spain, Brazil and Belgium were re-elected, while China replaced Greece. These, with Great Britain, France, Italy and Japan, represent over a billion people.

It having proved impossible to define the powers belonging respectively to the Council and the Assembly, the latter unanimously adopted a resolution declaring that while each body should be supreme in those matters especially assigned to it, in all other matters neither body should interfere with a subject which has become the special charge of the other. Later, in connection with the mandates question, the Assembly attempted to assert supreme power.

The amendments suggested by the Scandinavian countries during the summer for amplifying the Covenant provided for (1) an annual meeting of the Assembly; (2) a system of rotation among the non-permanent Council members; (3) a certain relaxation of the otherwise automatic economic blockade in the case of small states endangered by a big neighbour; and (4) a great extension of the system of arbitration under the League. Canada, on November 26, proposed to the Committee on Amendments six changes, the most important one being that all members of Council and Assembly be considered representatives of their governments and that their decisions be binding on the home governments. Another Canadian proposal for the complete elimination of Article X was referred to the permanent Committee on Amendments. Argentina's proposal that it be made possible for sovereign states to join the League if they so desired was also referred to this committee. Following his protest on the floor of the Assembly against acceptance of the principle that these amendments be worked out by the permanent committee during the year, M. Pueyrredon and the Argentine delegation withdrew from the Assembly December 4.

The Assembly adopted the Permanent Court of International Justice by a unanimous vote on December 13 and it had been signed by May 15, by the delegates of thirty states. Ratification by twenty-four of these states will bring it into existence. Sweden alone has deposited her ratifications. Three hundred thousand dollars has been appropriated by the League for its expenses. Compulsory adjudication was finally rejected by both Council and Assembly, but a supplementary protocol was adopted whereby those states so desiring may accept the principle of compulsory adjudication, either on the basis provided in the original draft or with such limitations as they may desire. The United States may ratify the court without membership in the League. Denmark, Portugal, Salvador and Switzerland are among the states that have signed the protocol as well as the court project. The following states have accepted the court alone:

Brazil	Italy	Persia
Bulgaria	Japan	Poland
Canada	Netherlands	Roumania
China	New Zealand	Siam
France	Norway	South Africa
Great Britain	Panama	Spain
Greece	Paraguay	Sweden
India		Uruguay

The Committee on Admission of New Members admitted the ex-enemy states of Austria and Bulgaria; Luxemburg; Finland on the understanding that she accept guarantees regarding minorities; Costa Rica, whose Tinoco rebellion during the Paris Conference had prevented an invitation to membership; and Albania. The latter was voted in by the full Assembly on December 17, against the recommendation of the committee which felt the Albanian status too uncertain and its borders too ill-defined. Esthonia, Latvia, Lithuania and Georgia were refused full membership because of the possibility of their becoming involved with Soviet Russia,—a situation likely to prove embarrassing to the League. They were allowed participation in the technical organizations, however. Armenia was refused even partial admission on the ground that membership in the League would prevent the giving of a mandate for the country. During discussion on the admission of Austria the Committee interpreted Article X as follows: "It cannot be too emphatically stated that Article X does *not* guarantee the territorial integrity of any member of the League. All it does is to condemn external aggression on the territorial and political independence of any member of the League and call upon the Council to consider what can be done to resist such aggression." Azerbaijan, Lichtenstein and the Ukraine were refused membership.

Conditions for the admission of states, proposed by Viviani and accepted, quite clearly barred Germany and Russia from membership, for the present, at least: (1) a state must have satisfied all its international obligations, already contracted, and must have a stable government and fixed frontiers; (2) the country must be organized on such lines that, in the League's opinion, its engagements could be fulfilled.

Mr. Branting's Committee on Economic Blockade, Disarmament, and Mandates proving unable to settle the principles or details for the use of the blockade, the Assembly voted to create an International Economic Blockade Committee of not over eight members which should study the question and report through the Council to the Assembly at its next meeting.

Despite the difficulties to be encountered in dealing with the question of disarmament, and despite the absence of Russia, Germany and the United States from the consultation, the Assembly gave the subject much thought. On November 25 the Permanent Military, Naval and Air Commission created by the Council last August requested the Council to ask the United

States to send representatives to sit with it in a consultative capacity. The Council approved this letter to the United States on December 1, but the invitation was refused by President Wilson on December 9. With the view of preventing increases in armaments, a recommendation was adopted December 14, by 30 votes to 7, requesting the Council to submit for the consideration of the members of the League the acceptance of an undertaking not to exceed the current military budget during the next two years unless required to do so by recommendation of the League or by exceptional conditions notified to the League. The Council was also asked to request the Permanent Military, Naval and Air Commission to complete its technical examination into the present condition of armaments; to instruct a competent temporary commission to submit proposals for the reduction of armaments; to form within the Secretariat a section for this commission, and for the publication and exchange of information as provided in the Covenant; and to consider the means by which military information so exchanged may be verified, if the principle of mutual verification is confirmed by an amendment to the Covenant. It was also requested to initiate the immediate investigation of the problem of private manufacture. Acting on the report of the Committee, the Assembly invited the Council to urge upon all governments the immediate approval of the Convention of St. Germain for the Control of Traffic in Arms and Ammunition, signed by Great Britain, United States, France, Japan, Belgium, Bolivia, Cuba, China, Ecuador, Greece, and Italy when the Austrian Treaty of Peace was signed, but not yet ratified. This convention prohibits exports of arms and ammunitions except under special licenses for deliveries to the governments themselves. It is especially intended to prevent surplus stocks remaining from the war from falling into the hands of less civilized peoples. The convention provides for an international office to control the trade in arms.

The mandates question was one of the most complicated before its Committee and before the Assembly. On August 5 and again on October 27 the Council had dispatched letters to the nations whose duty it was to draft the terms of the mandates which they expected to hold under the League. On November 30 the Council again addressed the four premiers concerned urging an immediate solution of mandate difficulties and submission of the draft terms to the League. About this time the United States called attention to the Mesopotamian mandate by her note to Great Britain (see United States), and Germany registered her protest against the mandatory system, reserving liberty of action regarding the whole colonial settlement. In the meantime the Council had considered the constitution of the Permanent Mandates Commission authorized by the Covenant, and on November 29 agreed to a detailed plan. According to this, its nine members are to be appointed by the Council, five of them representing non-mandatory powers. In case of a controversy over a mandate,

the representative of the nation holding the mandate will not be entitled to vote. Opinions the Commission may give on complaints against the mandatories will be only for the guidance of the Council and Assembly. Shortly after this the terms of the draft mandates for Group "C" came to the Council and were held there. Under these, Samoa goes to New Zealand; New Guinea and islands south of the equator to Australia; Nauru to the British Empire; islands north of the equator to Japan; and German Southwest Africa to the Union of South Africa. (For the Yap controversy see United States.) According to the Covenant, Group "C" territories such as "South-West Africa and certain of the South Pacific Islands . . . can best be administered . . . under the laws of the Mandatory as integral portions of its territory." This has been held to mean that Australian laws restricting Japanese immigration may apply to the islands Australia holds. Japan has sought racial equality, but compromised with Australia and England in an agreement giving each equal rights in the other's mandatory islands except in matters of immigration. Following this settlement near the close of the Assembly's session, Mr. Branting's committee called for the mandate terms and the Council's recognition of the principle that they should be inspected by the Assembly. The Council refused. Mr. Branting announced that unless the terms were handed over the committee would make the matter public and force the Council to bear the moral responsibility for this action. In the closing days of the session, therefore, the Council gave way on condition that the terms be kept secret and not mentioned in the committee's report. On the 17th of December the Council approved the Group "C" terms and made them public.

Terms for Group "A," those territories held by Turkey in Asia Minor—and for Group "B," for German colonies in Central Africa—were kept in the Council for consideration. (See Council of the League of Nations.)

The question of Armenia received the attention of the Assembly and resulted in the passage of a resolution requesting the Council to approach the nations of the world in the hope of ending hostilities in Armenia. This was voted on November 22, and included the United States on condition that the invitation to mediation did not mean a repetition of the request to accept a mandate. As a result, the United States, Brazil and Spain agreed to use their good offices between Armenia and the Kemalists, and an investigation was immediately begun at Constantinople by the powers to find out the best methods of approach. President Wilson designated Mr. Morgenthau as his personal representative in mediation. On December 8 his boundary delimitation for Armenia was forwarded to the League.

INTERNATIONAL TRANSIT CONFERENCE

Representatives of forty-three states met at Barcelona, Spain, from March 10 to April 20, to lay down the principles of a universal international law of communications and transit. A provisional committee, meeting in Paris, drafted preliminary suggestions on which the Conference based the following decisions: (1) a Convention on the general principles that should govern freedom of transit for persons and goods, from one country to another through an intervening country; (2) a Convention relating to waterways of international concern, suggesting absolute liberty of navigation with equal treatment for all flags and with the prohibition of special customs duties or demands; (3) recommendations for a series of general principles regarding the utilization of railways and international ports. A special Advisory and Technical Commission on Transit of sixteen members was created which will attempt to examine the application of the principles determined by the Conference.

COUNCIL OF THE LEAGUE OF NATIONS

The decision of the Council, at its October meeting, to settle the Polish-Lithuanian difficulty by a plebiscite resulted in the creation of a Control Commission under Colonel Chardigny (Swiss) to supervise the vote, and in an attempt, at its eleventh meeting at Geneva from November 14 to December 18, to establish an international police force for duty there. A total of 1450 men were offered by England, France, Belgium, Spain, Greece, Holland and the Scandinavian countries, and Memel appointed as a base. On November 18 Lithuania notified the Assembly that the Poles were resuming their attack and requested an economic blockade under Article XVI of the Covenant. A protocol to end hostilities between the contending armies was to have gone into effect November 21 as a result of the Commission's efforts, but was delayed until the end of the month. A Civil Commission was also appointed by the Council to determine the territory to be covered by the plebiscite, but its decision was protested by Lithuania who announced December 4 that Vilna should be excluded from the plebiscite since by the armistice of October 7 the city had been assigned to her. Russia, in the meantime, declared to Lithuania that the international force would violate the Russo-Lithuanian treaty signed July 12, 1920, and would involve Soviet forces, an announcement that led Lithuania to refuse entry December 3 to the League force.

The Poland-Danzig controversy came before the Council at the first session when consideration of the constitution of the "Free and Hanseatic City," as prepared by its constituent assembly, was begun. By amendments on November 17 the name was made "Free City of Danzig," rights of Polish-speaking inhabitants were more clearly defined (German being the official language), Poland's right to manage foreign affairs expressly

recognized, and the authority of the League emphasized. With the approval of the constitution came a decision that the Polish Government appeared to be the power to whom the League should eventually entrust the defense of the Free City. On the day following a Poland-Danzig Convention, prepared by the Council of Ambassadors, was signed at Paris giving the control of the port of Danzig to a commission of Poles and Danzigers in equal numbers with a Swiss as a neutral chairman. Poland is to manage the Danzig railroads, is to represent her in foreign affairs and is to control direct postal and telegraphic service from Danzig to Poland. Danzig may fly its own flag on merchant ships, but must give to ships under the Polish flag the same treatment as its own. On December 17 General Haking was appointed High Commissioner of the League at Danzig for one year.

The Council next met in Paris from February 22 through March 4, under the presidency of Senôr da Cunha, who was chosen under the new system of rotation. China took her place as a member for the first time, while Austria, Poland, Lithuania and Switzerland sat on the Council when matters affecting them were discussed. When the meeting opened Mr. Balfour moved the postponement of consideration of the "A" type of mandate because of the discussion of the Sèvres Treaty then going on (see Supreme Council). The "B" mandates were under consideration when Ambassador Wallace presented the United States' note, dated February 21, which claimed that the United States must be consulted on any question relating to mandates, and protested specifically as regards the allocation of Yap to Japan and the equality of commercial opportunity in Mesopotamian oil fields. (See United States.) The Council's reply, dated February 29, postponed consideration of type "B" until a meeting in May; invited the United States to be present at this meeting; announced that it would be difficult to change the decision of December 17 confirming the mandate; and agreed to forward the note to the powers responsible for the allocation of Yap. Eight of the nine members of the Permanent Mandates Commission were next approved: Mr. Ormsby Gore, Great Britain; M. Otys, Belgium; M. Heau, France; M. Van Rees, Holland; Mme. Bugge-Wicksell, Sweden; M. Theolodi, Italy; M. D'Andrade, Portugal; Mr. Cameron Forbes, United States.

The Disarmament Commission recommended by the Assembly was also appointed. Six of its members, Viviani of France, Fisher of England, Orlando of Italy, Branting of Sweden, Vicuna of Italy and Tatsuke of Japan, will represent governments; six members will be appointed from the International Labor Office, three being for capital and three for labor; four from the Economic and Financial Conference; and six from the Permanent Military, Naval and Air Commission.

The Polish-Lithuanian situation came in for more attention. The failure of both parties to promote arrangements for the plebiscite led the Council to refuse it and to ask M. Hymans to

attempt a settlement as agent of the League. Poland was therefore requested to reduce General Zellgouski's forces to a maximum of 15,000 men and Lithuania to withdraw her army into the interior of her territory. At the same meeting Switzerland explained her refusal, of February 11, to allow the international force to cross her territory en route to Vilna—an agreement had not been effected between the two parties and secondly, she feared a Bolshevik attack which might change the police troops into forces of war whose communications ran through her country. Negotiations under M. Hymans were begun at Brussels, were delayed by reservations and obstructions from both sides, and finally resumed April 20 in an attempt to reach a general settlement.

The texts of the "C" mandates approved December 17 were made public March 22, and on March 26 France promulgated as law terms for Togoland and the Cameroons, mandates of the "B" type which have not yet been approved by the League. A commissioner is established to carry on the government, assisted by a Council of Administration. Commercial equality is assured in the Cameroons, while mention of it is omitted in the terms for Togoland.

COUNCIL OF AMBASSADORS

In a note to the German government, dated November 17, this Council upheld the demand of the Interallied Military Control Commission in Berlin for the dismantling of fortresses on Germany's eastern and southern frontiers. This was protested by Germany December 28 with the plea that the Russo-Polish situation made armament desirable. The Council at once reiterated its decision. On December 27 it considered the protest of General Nollet, head of the Commission, against the refusal of the German government to disarm the Bavarian Security Police and similar organizations in the Empire. Germany declared they were for defense only, her reply evoking a sharp note from France on December 31, recounting German short-comings in respect to the Spa agreement. The Council asked Marshal Foch to report on the collection of arms and dissolution of armed forces in Germany for the benefit of the Allied governments. The Supreme Council, at its Paris meeting, agreed that two-thirds of Germany's obligations were to be executed by March 15, the remainder by July 1. On March 26 Germany refused again to disarm her Polish border and asked arbitration of the other provisions.

The ambassadors continued their meetings in Paris with decisions of varying importance before them. They have been charged with the assignment of territory in Upper Silesia to Germany and Poland, as well as the settlement of the Polish insurrection there. (See Germany.) They have arranged for the transfer of West Hungary to Austria through the Interallied Commission at Oedenburg, and have determined the customs line between occupied and unoccupied Germany, setting up the machinery for

the collection of the duties established by the Supreme Council. (See Reparations.) The Council played a part in the Hungarian coup d' état by warning Hungary that a restoration of the Hapsburgs would imperil the basis of peace. On January 10, Ambassador Wallace ceased to represent the United States at its meetings but returned as unofficial observer for the new administration May 9.

SUPREME COUNCIL

The Supreme Council met in London November 26, Premiers Lloyd George and Leygues being joined by Count Sforza two days later. On November 27 they completed plans for the Silesian plebiscite, and at the January meeting set the date for voting. (See Germany.) The Greek situation resulted in a note to the Greek government December 2 which "denied any wish to interfere in the internal affairs of Greece" but which declared that the restoration of Constantine would be regarded as a ratification of his acts of hostility to the Allies. In such case France, Great Britain and Italy reserved the right of complete liberty of action—the phrase referring to the revision of the Sèvres Treaty—while on December 3 the Premiers declared that further financial support would be withheld from the Greek government if Constantine returned. Any loan to Greece, under existing agreements, must be sanctioned by these three powers.

The twelfth meeting of the Council, set for January 19, was delayed by the fall of the Leygues ministry until January 22, when the five powers met in Paris to discuss reparations. Latvia and Esthonia were recognized as sovereign governments. The next meeting occurred in London from February 21 to March 12, March 1 to 7 being occupied with reparations. Delegations from both Turkish governments presented demands which included revision of the Sèvres Treaty to give financial and economic independence, a larger military force, a share in the administration of the Straits, and the return of Smyrna and Thrace. Greek delegations demanded retention of the treaty intact and refused the proposed commission to investigate the territorial questions of Smyrna and Thrace. The Turks accepted this feature, and the remaining clauses of the treaty as originally constituted on the virtual condition that the Allies lighten the economic clauses. The commission project was abandoned, however, and on March 11 the Allies presented new terms to the delegates. Turkey is to remain in control of Constantinople, the Straits are to be internationalized, a Turkish chairman is granted for the Straits Commission, financial independence and increased naval power are allowed. Smyrna is to become autonomous under Turkish sovereignty, with a native gendarmerie under Allied officers everywhere save in the city of Smyrna which is to have a Greek garrison. Annual payments to the Turkish government will be resumed, these to be expanded according to the prosperity of the province. These terms are still under consideration.

The next meeting in London on April 30 was concerned with the reparations situation. That situation, which has been the charge of the Supreme Council and the Reparations Commission, is considered here. The Second Financial Conference called by the Council opened at Brussels December 16, with Belgium, France, Great Britain, Germany, Italy and Japan represented. Dr. Carl Bergmann, Under-Secretary of Finance, and Dr. Walter Simons, Foreign Minister, presented German offers for the payment of their obligations in material and in service, claiming that payments to the total of 20,000,000,000 gold marks had already been made. Germany asked 3,000,000,000 gold marks for food relief for the coming year in addition to the Spa allowance, and claimed that three more billion were needed for raw material. The Allies submitted forty questions on economic and financial conditions in Germany and on her foreign trade. The method of private conference on special points resulted so favorably that a speedy settlement was anticipated when the German delegation left December 22. This Commission, summoned to reconvene January 10, was postponed to January 20 at Germany's request, and then set forward indefinitely after the fall of the Leygues ministry.

The Supreme Council met in Paris January 22 and continued sessions through January 31. At this meeting M. Briand found it necessary to consider French sentiment for a large indemnity while the British delegation accepted the "Boulogne Agreement," dating from the meeting of the Premiers at Boulogne July, 1920, and only recently disclosed, as a basis for negotiation with Germany. This agreement called for a total indemnity of 269,000,000,000 gold marks over a period of forty-two years. The final report of the committee of experts, adopted on January 29, called for a total of 226,000,000,000 gold marks payable in fixed annuities over thirty years together with an export tax of 12 per cent on German goods for the same period. The German government was invited to rejoin the Brussels Conference on February 27 but refused. At Paris Germany attempted to win recognition of the following as conditions to paying an indemnity: (1) Upper Silesia should remain German; (2) German property abroad should be respected; (3) costs of the military occupation should be cut down; (4) Germany's commercial freedom should be recognized; (5) a proportion of her merchant fleet should be restored. Germany's coal deliveries for November and December having fallen short of the Spa agreement, the Paris Conference ruled that she should make up the deficit in February and March. Advances and the premium of five gold marks per ton were abolished and a form of bonus substituted.

On March 4 German delegates joined the Supreme Council in London and refused the Paris plan, presenting instead an arrangement for paying 50,000,000,000 gold marks over thirty years. Dr. Simons claimed that 20,000,000,000 marks had already been turned over to the Reparations Commission in

conformity with the treaty, thus leaving only 30,000,000,000 marks to be met. Of the first five yearly instalments, one-third should be paid in material and labor and 8,000,000,000 marks by an international loan to be raised at once. The following day Lloyd George refused this, giving the delegation four days in which to suggest a method of meeting the Paris terms, adding that coercive measures would be applied before May 1 if the new proposals were unsatisfactory.

On March 7 the Germans presented a provisional plan for five years at the rate demanded by the Paris decision and conditioned upon the retention of Upper Silesia and the removal of trade restrictions. At the end of five years, the amount and method of payment should be readjusted. This was dismissed curtly at a second meeting the same day, and the decision taken to apply the military sanctions at once, namely; the occupation of Duisburg, Düsseldorf, and Ruhrort by French troops with British assistance.

The Council also determined on additional economic sanctions of a 50 per cent import-tax on German-made goods to be levied in the various countries (see England), and on the payment of all duties collected by the German customs service into the reparations fund.

In a note, dated March 4, 1920, the Reparations Commission had reminded Germany of her obligation under the treaty to make an initial payment of 20,000,000,000 gold marks before May 1, 1921. June 15 the Commission requested information as to Germany's assets for paying the bill. Under date of June 23 Germany announced that she would forward later a demand that all deliveries of goods made by her be credited against the 20,000,000,000 marks. This demand was received January 20, 1921. The Commission replied on February 26 to the effect that the credits against the account would only total 8,000,000,000 marks and asked Germany how she expected to meet the balance. In a note dated March 14 Germany declared that she considered she had fulfilled her obligations. On March 16 the Commission notified Germany to turn over to the Banque de France, the Bank of England or the American Federal Reserve Bank, by March 23, 1,000,000,000 gold marks of the 12,000,000,000 still due, and gave her until April 1 to suggest methods of meeting the remainder in ways other than by specie or credits abroad. Germany refused this on March 22 and suggested a conference of experts to discuss the matter. On March 24 the Commission warned Germany of penalties and demanded the 12,000,000,000 before May 1. On March 25 Germany again refused.

On March 23 an informal memorandum from the German government was telegraphed to the United States asking her mediation in the reparations difficulty. On March 29 Secretary Hughes replied that the United States agreed with the Allies as to German responsibility for the war and her obligations to pay reparations. On April 15 Germany dispatched a second note

with three basic proposals: (1) The payment of a definite sum to the Allies; (2) the assumption of Allied debts to the United States; (3) an international court to determine the amount of German payments on the 20,000,000,000 account.

April 18 the Reparations Commission demanded of the German War Burdens Commission that the gold reserve of the Reichsbank and other securities be transferred either to Cologne or Coblenz before May 1 as a guaranty of good faith. This was coupled with the condition that none of the transferred valuables be used by Germany without consent of the Commission. If this was not accepted by April 22 the Commission would demand the surrender of this sum to the Allies. This was countered April 22, when Germany agreed not to permit the exportation of the gold before October 1 next.

The customs line prepared by the Council of Ambassadors became effective in the occupied zone April 20. Goods coming from unoccupied Germany into the occupied territory pay the present German export tariff in gold, while eastbound merchandise pays the German import duty in marks.

On the same day the German government appealed to the United States again asking her to fix the reparations total and to secure the consent of the Allied Powers to such mediation. Germany pledged herself to pay whatever should be found right. The following day Secretary Hughes replied that if new proposals were made by Germany on a proper basis, the United States would consider presenting them to the Allies.

On April 21 the Reparations Commission stated that the German Shipping Delegation had formally withdrawn its figures of 4,600,000 tons gross shipping, valued by them at 7,000,000,000 gold marks, as the amount delivered in execution of the Treaty, and were submitting an alternative valuation on a lower basis. On April 22 a note was sent to the British government with proposals for the reconstruction of the devastated area. On April 23 and 24 the British and French Premiers met at Lympne, England, for a conference preliminary to the meeting of the Council on April 31. They are understood to have discussed proposals for the economic administration of the part of the Ruhr to be occupied in May.

On April 24 the German government forwarded another note to the United States which was informally referred to the Allied governments. France and England refused its terms, which included an offer of an indefinite sum up to 50,000,000,000 gold marks (2000,000,000,000 if converted into annuities) in flexible payments according to Germany's situation. An international loan was promised, customs receipts were guaranteed as security, and labor and materials offered to be credited to the total account. The United States asked for a definite statement of the sum proposed, and on May 2 refused it as unacceptable, urging Germany to make adequate proposals to the Allies at once.

On April 30 the Reparations Commission demanded that Germany turn over all stocks, bonds and other titles of interest held by the government or by private citizens in oil wells or mines in Russia, Austria, Hungary, Bulgaria, and Turkey. Under Article 209 of the treaty these will be held by the Reparations Commission or at the disposal of the Allied Powers who may wish to acquire them.

April 25 a note went from the Reparations Commission demanding that 1,000,000,000 marks be deposited in the Banque de France by April 30, and on April 27 notified Germany that the total reparations bill would be 132,000,000,000 gold marks plus the 12,000,000,000 marks due May 1. A meeting of Allied experts took place in London on April 27, and on April 30, the Supreme Council met, Great Britain and Italy standing for an ultimatum to Germany before an advance into the Ruhr. French mobilization was begun on May 3 and on May 5 the Premiers signed the ultimatum giving Germany until midnight of May 11 to accept their terms. Following a change of cabinet, the conditions were accepted unconditionally on May 11.

On May 3 the Council invited the United States to send a representative to assist in future negotiations. On May 6, Ambassador Harvey took his place as an unofficial observer.

UNITED STATES

It was announced from Washington on December 3 and 4 that the preliminary International Communications Conference of Italy, Japan, France, Great Britain and the United States, which had been in session there during October and November, had drawn up a treaty embodying a complete code of international law for world-communication by cable, telegraph and radio. The technical experts have finished their part of the work, but the negotiators have been, as yet, unable to agree upon two important matters: (1) The disposition of the German trans-oceanic cables. The United States wishes to be proprietor of the cables between Emden and New York and to have them restored to service. At the beginning of the war these cables were confiscated by the Allies and were diverted to the coasts of France, England and Canada where they still remain. The treaty of Versailles vests the ownership of confiscated cables in the five great powers and provides that no disposition of them can be made except by unanimous agreement. (2) The principle is asserted by the United States that all nations may use certain ocean islands as natural landing places for cables irrespective of the ownership of the islands. This principle concerns the use of Yap, which is a terminal of cable lines from Shanghai and Guam, an island owned by the United States. Yap has passed under a mandate to Japan, who is willing to recognize joint control of the cables by itself and the United States, but is not prepared to grant the United States exclusive control of the Guam cable. Japan removed the terminus of the Shanghai cable to Tokio,

an act that further intensified the difficulties of American communication with China and continental Asia by bringing a considerable portion of American business under Japanese censorship and control. Japan was intrenched in Yap long before the Council's decision to award her the mandate and it is more than probable that pressure was exerted on the powers on the theory that possession is nine points of the law.

On December 14 it was announced that the Conference had adjourned without an agreement on these questions. It was provisionally agreed that the operation of German cables should continue as at present, the income from them to be apportioned among the five powers in accordance with their final disposition. The Conference was resumed February 10, but by February 17 was again deadlocked. On March 15 the *modus vivendi* regarding cables was renewed with no fixed date for its expiration.

This conference is without jurisdiction in the controversy between Japan and the United States over Yap, having been set up by the Treaty of Versailles to decide only the disposition of the German cables. The mandate for Yap (but not for the cables) was awarded to Japan by the Council of the League and is contested by the Washington government on the ground that America, as one of the powers which helped to win the war, is entitled to take part in the disposition of the former German colonies. Italy has backed up the United States in her stand and France is said to be in substantial agreement. The Council of the League does not admit America's claim that the Supreme Council could not, if America chose to absent herself, dispose of the German colonies without her consent. The Council has made no suggestion regarding Yap, but is willing to take no further steps toward fixing the terms of "A" and "B" mandates until the United States has had a chance to express her views.

Complete freedom, equality, reciprocity and cooperation in the development and exploitation of the resources of mandated territory are the demands of the United States in the second controversy which has arisen over the obligations, powers and duties of the countries which have been awarded mandates. This was the interpretation of the note sent November 25 by the State Department to the British Foreign Office with reference to British policy in the development of the oil resources of Mesopotamia and Palestine. The note questioned the Anglo-French agreement signed at San Remo, providing for British control of the Mesopotamian oil region. In this note the Secretary of State reaffirmed the principles regarding mandates as outlined by the United States' notes of May 12, and July 28, 1920. He denied that terms of mandates could be discussed only by signatories of the Covenant and asserted the proper interest of the United States as one of the Allied Powers. The United States' note of March 28, 1921, reasserted the equal rights of the United States as a co-belligerent. Consideration of the British mandate over Mesopotamia will be begun at the next meeting of the League of Nations Council.

MEXICO

On December 1 General Obregon was inaugurated President of Mexico. United States' Department of State has announced that it will refuse recognition of his government until a formal treaty has been enacted providing that amends shall be made for the past and full protection afforded for the future to American lives and property in Mexico. On May 14 President Obregon refused to sign this pledge as the condition of recognition. He has declared that Article 27 of the Mexican Constitution of 1917, the crux of the oil situation, will not be changed, since the Mexican government maintains its right to nationalize the petroleum industry. It is understood, however, that the article will not be made retroactive and that property of the United States citizens legitimately acquired before the Mexican constitution became effective will be recognized.

On February 4 the government invited Thomas W. Lamont and James Speyer to visit Mexico to begin work on refunding Mexico's foreign debt.

April 28 President Obregon returned land valued at more than 20,000,000 pesos to its owners on condition that development projects be completed. These lands had been confiscated during the revolutionary period.

HAITI

On December 18 the Naval Court of Inquiry, sent to Haiti to investigate the charges against the Marines made by Brigadier-General George Barnett, cleared the marines and criticized General Barnett for his reference to the alleged "indiscriminate killing of natives." On the other hand, President Dartinguenave, in a three thousand word statement, declares that the American civil administration in Haiti is "more oppressive than the military." He charges that since American occupation no effective aid has been given Haiti for the development of its agricultural and industrial resources, as stipulated, and no serious measure has been proposed with a view to "placing Haiti's finances on a truly solid basis." The Haitian memoir presented to the Department of State and the Senate Foreign Relations Committee on May 9 by three Haitians ridicules the naval inquiry. It outlines the political, economic and financial conditions existing in the Republic during the American occupation and demands the withdrawal of all American troops from Haiti.

CENTRAL AND SOUTH AMERICA

The final chapter in the formation of the Central American Federation was completed on January 19 when the four sovereign republics of Guatemala, Salvador, Honduras and Costa Rica, who have been in conference since December, voluntarily surrendered a measure of their individual autonomy and united under a unified republican form of government. This step

seemed almost impossible because of the opposition of Nicaragua to Article 40 of the Constitution which stipulates that each member nation of the federation will continue loyally to comply with the terms of its treaties with foreign governments but that if extensions to those treaties should imply new demarcations of territory, a new Central American Union conference will be called to consider the changes proposed. The Bryan-Chamorro Treaty between the United States and Nicaragua was one of the principal points at issue and was open to such misunderstanding and misinterpretation that Nicaragua finally withdrew, refusing to sign the agreement on the ground of "patriotic motives." The government of the Federation is to be a popular representative assembly responsible to the public. The executive power is to be exercised by a federal council chosen for five years. The legislative power is vested in two houses, a senate and chamber of deputies, the senate to consist of three senators from each, and the representatives chosen by the people in the ratio of one deputy for every 100,000 or fraction greater than 50,000. The judicial power is to be exercised by a supreme court and lower court, chosen by the senate from a list of names submitted by the executive.

PANAMA

Both Panama and Costa Rica had accepted the boundary for the Pacific end of the Panama Canal as fixed by President Loubet of France in 1900, but being dissatisfied with the boundary at the Atlantic terminus, they agreed, in the Porras-Anderson Treaty of 1910, to abide by the arbitral decision of Chief Justice White of the United States Supreme Court. Panama refused to accept the White award. Costa Rica occupied the disputed territory and fighting followed between the two countries. On February 28 the United States sent notes to both countries warning them against the use of force in settling boundary disputes, and on March 7 called for an immediate cessation of hostilities.

Since both countries are members of the League of Nations, the Council undertook to investigate the clash. On March 10 Panama asked protection of the League alleging that Costa Rica had attacked her. The League replied that as the United States was chiefly interested in the settlement of the differences of the Central American Republics the matter would be left to her good offices. A few days later both Panama and Costa Rica assured the League of Nations that the conflict between them was "virtually terminated" and that they were willing to leave the settlement in the hands of the Washington government. On April 29 an ultimatum was dispatched to Panama by the United States, demanding acceptance of the White award, but up to the present ratification of the award has not taken place.

COLOMBIA

On April 20 the United States Senate passed the Colombian Treaty after bitter debate and the failure of all efforts at amendment. The measure provides a gift of \$25,000,000 to Colombia and the use of the Panama canal free at all times. The Treaty is entered into "to remove all the misunderstandings growing out of the political events in Panama in November, 1903."

In the original treaty the United States was obligated to pay Colombia \$25,000,000 in gold within six months after the exchange of ratifications. In the treaty just passed the money will be paid in five installments of \$5,000,000 each, the first to be paid six months after ratification and the other four in annual payments. The original treaty as negotiated by William Jennings Bryan in 1914 contained a mutual expression of regret over the disturbance of friendly relations, which was regarded by some as an apology for this government's part in the Panama revolution. At that time it aroused a storm of protest and notwithstanding Wilson's prestige in Congress he was unable to force ratification. Those who fought this treaty have charged that the change in front was brought about by the influence of Americans interested in oil concessions in Colombia.

BRITISH EMPIRE

The trade agreement with Russia was completed on the basis of conditions set forth in July, 1920, and signed in London March 16. It provides for the interchange of commodities through trade agents stationed in both Great Britain and Russia. The two governments pledge themselves to refrain from "hostile actions and undertakings" against each other; Russia will not use anti-British propaganda among "the peoples of Asia;" and Britain will not seek to influence the border countries of Russia against the Bolsheviks. In giving judgment on a suit brought by the representatives of a Russian company to recover damages from an English firm that had purchased material made by the Russian firm, then confiscated and sold by the Soviet government, a British court rules as follows: That as the Trade Agreement of March 16 constituted a recognition of the Soviet government, and as an act of a state, whether done before or after recognition deserved respect, the confiscatory decree made by the Soviet government in 1918 was legal, and damages could not, therefore, be collected.

On March 22 the Reparations Recovery Bill, imposing a 50 per cent levy on the value of all German imports, to be paid by the British importer and to be deducted from his payment to the German manufacturer who must be reimbursed by the German government, finished its journey through Parliament.

The Irish Home Rule Bill, as modified by the House of Lords, and adopted by the Commons December 21, provides for: (1) two parliaments, one for Ulster, and one for the south, each of

which is to decide upon the method of electing senates; (2) an Irish council of 40, consisting of 20 members chosen from each section. The president of the council to be appointed by the Lord Lieutenant on the advice of the crown. Each section is given three and one-half years to accept the measure, which, if refused, provides that the section so refusing can be governed as a crown colony. By means of the council, it is hoped to consolidate the two parliaments. When that is done, the control of the police, finance, and other branches of government will be turned over. The Act was put into operation April 19 and Viscount Talbot took over the Lord Lieutenancy April 30. Elections will be held for the two parliaments May 24, when Sinn Fein will claim all but four of the candidates for southern Ireland by uncontested elections. Sir James Craig has been chosen premier for the northern government and succeeds Sir Edward Carson as leader of the Unionist Party.

Despairing of securing an inquiry into the reprisals question a commission of English Labour under Arthur Henderson visited Ireland in December. Their report denounced the crown policy of burning and looting and recommended the withdrawal of troops and the calling of a constituent assembly. The Commission attempted to arrange a truce but was unsuccessful.

The Milner Commission presented its report on Egyptian independence to the government December 9 (for terms see notes in JOURNAL of January, 1921) and an exchange of views of the various governments on the "capitulations" has ensued. A new cabinet was formed in Egypt March 17 by Adly Pasha. On April 5 Zaghul Pasha, leader of the Nationalist Party, returned to Cairo after two years abroad. Following the British government's announcement of its readiness to withdraw the protectorate, Zaghul Pasha agreed May 9 to begin negotiation of the treaty which is to embody this decision. Conferences have been delayed by the difficulty of forming the Egyptian delegation, both Zaghul Pasha and Adly Pasha desiring to head it.

The Indian National Congress opened at Nagpur December 26 and passed resolutions calling for self-government and recommending peaceful non-cooperation with the new government. The elections for the Reformed Councils held in November passed off smoothly, only six out of six hundred and thirty-seven constituencies feeling the influence of Mr. Ghandi's policy and presenting no candidates. January 3 the new government went into effect and the series of Legislative Councils were opened by the Duke of Connaught later in the month. February 8 the permanent consultative body, the Chamber of Princes, was opened at Delhi, together with the Council of State and the Legislative Assembly. Agrarian disorders in the Rai Bareli district in January and February emphasized the necessity of fixing the terms of land tenure as soon as possible. The Viceroy's Council voted on January 20 to reduce the Indian Army by 32,000 men. Earl Reading, the new Viceroy, arrived at Bombay April 2.

Elections in the Union of South Africa February 8 returned a large majority for the South African Party and General Smuts, thus defeating the Nationalist Party's program of secession from the Empire.

FRANCE

On November 24 Premier Leygues announced to the Foreign Affairs Committee of the Chamber of Deputies that French citizens were at liberty to trade with Soviet Russia if they wished to do so at their own risk. Recognition was in no way implied and trade in arms and ammunitions forbidden. France announced April 17 that her *de facto* recognition of General Wrangel had been withdrawn and that no further financial support would be given him. The government insisted that his soldiers and the refugees still in the Crimea return to Russia.

Debate on the budget began March 22, when figures providing for expenditure of 58,000,000,000 francs were presented, only 22,000,000,000 francs of this amount being covered by revenue. The debt had risen by March 1 to 302,000,000,000 francs. In April the Senate voted an appropriation for a High Commissioner for Syria and 120,000,000,000 francs for its administration, 8,000,000,000 being for the army of occupation. (For Syria see Near East.) By May 1 both houses had adopted the bill taxing German imports 50 per cent for the benefit of the reparation fund. The bill is unpopular in each country that adopts it.

Following President Pilsudski's visit to Paris Premier Briand and the Polish Foreign Minister signed an agreement February 19, whereby the two countries pledged themselves to mutual assistance in the case of unprovoked attack and to joint action for purposes of economic recovery. They further undertake to consult one another before concluding further agreements affecting their policy in Central and Eastern Europe. Economic relations will be strengthened by a trade agreement to be signed soon.

GERMANY

For reparations negotiations, see Supreme Council.

Extension of the Bavarian militia or "Orgesch," taking its name from its organizer Dr. Escherich and pro-monarchical in temper, was prohibited in Prussia and Saxony in November. Its disarmament and that of the Bavarian Security Police was demanded by the Allies through the Berlin government, and consistently refused by Bavaria who considered Berlin too weak to force the issue. The Federal Council adopted the Disarmament Bill March 12, the Bavarian members alone voting against it; it was passed in the Reichstag March 19 and again refused by Bavaria May 13.

The Dutch-German economic agreement was ratified by Berlin December 29. By this Germany is given credit of 200,000,000 florins, of which sum 140,000,000 florins consists of 6 per cent ten-year credits for raw materials which she may obtain in any

country she pleases. She may also sell goods manufactured from these materials in any market that she can find. The 60,000,000 florins credits remaining are for foodstuffs to be purchased in Holland or in Dutch colonies.

A preliminary Russo-German trade agreement became effective May 6 authorizing the exchange of commercial delegations with consular powers necessary to legalize contracts and facilitate business. The delegations are pledged not to carry on propaganda.

The German budget had been brought forward in April; the ordinary budget providing for revenue and expenditure estimated at 49,945,202,051 marks, while the extraordinary budget anticipates expenditure of 43,667,104,308 marks as against revenue of 10,556,468,118 marks. The deficit of over 33,000,000,000 marks is to be met by loans.

As a result of the Allied ultimatum on reparations the Fehrenbach-Simons ministry fell on May 4 and was succeeded by a coalition cabinet headed by Dr. Julius Wirth on May 10.

An amendment to the National Constitution passed the Reichstag November 25 providing for an immediate referendum on the question of the autonomy of Upper Silesia under the German Republic if it should vote for German control at the forthcoming plebiscite. The voting took place March 20 following a large influx of voters from various parts of Europe and resulted in a substantial majority for Germany save in the districts of Pless and Rybnik. Various reports received before the plebiscite described concentrations of German and Polish troops at the Silesian frontiers, and on March 18 the Council of Ambassadors warned Germany and Poland that they would be held responsible for disorders caused by their troops. On March 23 Polish troops first crossed the border and clashed with plebiscite forces. The Interallied Commission at once proclaimed martial law in the towns and districts of Beuthen and Kattowitz and in the town of Pless. April 7 a German note to the Allied governments claimed all of Upper Silesia, but pledged guarantees for Polish minorities and preferential treatment as regards coal. Disorders continued intermittently until May 3, when it was reported that the Supreme Council had awarded only Pless and Rybnik to Poland. Immediately Polish insurgents under Korfanty, Polish Plebiscite Commissioner and propagandist in Silesia, entered the neutral zone driving out the German residents. The Poles were opposed by some 10,000 Italian and French troops with a few British officers, both sides suffering casualties in the fighting that ensued. Germany offered troops but was ordered by the Council of Ambassadors to keep her Reichswehr out of Silesia. Korfanty and the insurgents were disavowed by the Polish government but by May 8 all the territory Poland claimed had been occupied by troops estimated as numerous as 100,000 men. On May 13 Lloyd George announced in the House of Commons that if the Poles persisted in defying the Treaty of Versailles Germany

should have fair play, even to the extent of allowing her to offer armed resistance. This was followed by a British note to France charging French support for Korfanty and requesting that Premier Briand meet Lloyd George at Boulogne to discuss the situation. On May 15 M. Briand had refused a meeting until he had consulted the French Parliament. The Silesian tangle has been the most enlightening revelation of French policy in central Europe to date.

RUSSIA AND THE UKRAINE

In December the Soviet government published legislation granting concessions to foreign capitalists, promising immunity from confiscation of their property and freedom to pay higher wages to their employees than the ordinary maximum wage. The coinage system is reported restored; the right of free trade has been given again to the coöperative societies, while, except for a small tax in kind, the peasant may once more sell his crops for what they will bring. This new policy of coöperation with the peasants was enunciated by Lenin at the Tenth Communist Congress in Moscow March 15. Capitalism, under Soviet control, is viewed as a necessity to be faced.

A mutiny of sailors on Soviet ships at Kronstadt broke out on March 1 and was extended to a bombardment and attack on Petrograd, which was also experiencing a revolt. Miniature rebellions occurred throughout Russia but were successfully put down by the Soviet forces. The Kronstadt revolt was less anti-Soviet than reports claimed, having its origin in a demand for a Soviet government free from dictatorship.

On March 21 Secretary of Commerce Hoover announced the American policy as regards trade with Russia, opposing trade on the ground that there were no commodities for exchange. Immediately thereafter the Soviet government addressed a note to the United States proposing that a mission be permitted to negotiate for the resumption of trade relations. The American reply refused this until the establishment of a Russian government assuring safety of private property, sanctity of contract and freedom of labor.

In November the Bolsheviki shattered the Ukrainian army and took possession of Kiev. In spite of the desperate conditions and untold suffering the Ukrainians are continuing their rebellion against the Soviet government. During April many towns between the Dnieper and Dniester rivers, where the movement is most pronounced, were taken. The Ukrainian peasants have torn up the railway line running between Moscow and the Crimea and as a reprisal the Bolsheviki have begun a campaign of terrorism in the neighborhood of Smolensk.

POLAND

The Russo-Polish treaty of peace was signed at Riga March 18, and ratified by Poland April 16. Russia agrees to consider the Polish-Lithuanian disputes regarding territory west of the boundary for Poland and Lithuania only. Mutual pledges for non-interference are given by the two countries and assurances for free transit of goods are provided. Russia is to pay Poland 30,000,000 gold rubles within one year and absolves Poland from all responsibility for obligations, of any sort, of the late Russian Empire. Negotiations for a commercial treaty are to be begun.

The new Polish constitution which was adopted in March provides for a bicameral parliament, the members of which are to be chosen by universal suffrage. The President, who may be Catholic or Protestant, is elected for seven years by a National Assembly composed of the House and Senate, and will govern with a responsible ministry. Catholicism continues to be the leading faith of the country but equal rights are accorded to all religions. The different nationalities are permitted to have their own schools and to teach their own languages under Government supervision and with partial support by the State. Land reforms are provided to restrict individual ownership of large estates.

BELGIUM

On December 28 Belgium tentatively decided to renounce her right to the confiscation of German property in Belgium as provided in the Versailles Treaty. On April 15 the cabinet agreed to adopt the principle that future budgets for armaments should not exceed the current one, as requested by the League of Nations.

According to an agreement made at the Peace Conference on June 15, 1919, Premiers Lloyd George, Clemenceau and President Wilson were to recommend to their respective governments the acceptance of German bonds of a special issue in lieu of the payment by Belgium of her pre-armistice borrowings from England, France and the United States. A message embodying this decision was sent to the American Congress by President Wilson on February 23.

HOLLAND

For the Dutch-German trade agreement, see Germany.

On March 10 fifty of the biggest firms in Holland combined and founded the Netherlands-Baltic Trading Company with the object of establishing business relations and carrying on trade with eastern European countries, including Russia. The company has already sent representatives to establish offices in Finland, Esthonia, Lithuania and Poland and to enter into negotiations with representatives of the Soviet government at Berlin. It was reported on March 12 that all exports from the Rhineland to

Holland have stopped, neither buyers nor sellers being willing to risk the imposition of the Allied tax levies.

As the result of a bill introduced in the Dutch Parliament, proposing to give to the Batavia Oil Company, an important subsidiary of the Royal Dutch Company, an exclusive concession under state control for the development of the Djambi oil-fields of the Dutch East Indies, the Standard Oil Company of the United States again asked that it be allowed to compete for a half-interest in the Djambi concessions on terms offered the Royal Dutch Company. This situation was the subject of a sharp note delivered on April 19 to the Netherlands government by the American Minister at The Hague. The American note charged that the Netherlands government was granting monopolistic concessions to companies a large part of the stock of which was owned by foreign capital, the reference being to the British capital in the Royal Dutch Company. The note further pointed out that American interests had been seeking concessions for a year prior to the recent grant to the Batavia Company. The State Department on May 12 summarized the reply of the Dutch government, which argued that the contract with the Royal Dutch Company was already made and only awaiting the sanction of the Second Chamber when the Standard Oil Bill was presented. The United States maintains that the request to share in the Djambi development was made before the Dutch bill excluding Americans was drawn. At any rate the bill survived vigorous criticism against state control and passed the Second Chamber on April 29, ten days after the presentation of the United States' note of protest, and comes before the First Chamber about May 17.

ITALY

For the Treaty of Rapallo see Jugo-slavia. Captain D'Annunzio refused to accept the treaty November 21 and met commissioners from the Chamber of Deputies with the demand for recognition of the State of Fiume and a new territorial settlement. December 1 General Caviglia summoned the Fiumian government to withdraw within the treaty frontiers and on its refusal and subsequent occupation of the islands of Arbe and Veglia blockaded the port, the adjacent territory and the said islands. Italian forces occupied the city gradually and on December 29 D'Annunzio surrendered, leaving the city January 18 when the blockade was raised. A provisional government was set up, elections being held in April. When it was found that the Nationalist or Italian Party had been defeated the militia annulled the vote by destroying the returns. Fascisti from Trieste seized the government April 27 and are still in occupation.

The Fascisti, the extreme Nationalist faction, has pursued a policy of reaction against communist excesses of the past months. Their campaign has been riotous in the extreme and has extended throughout Italy. The general elections, held May 15, resulted

in increased outbreaks. The elections resulted in a gain for the conservatives though there is evidence that propaganda and intimidation of voters helped to achieve this result. The Fascisti were especially active in bringing reactionary pressure to bear during the campaign. The Constitutionalists elected 266 representatives to 134 Socialists and 101 Popularists or Catholics.

In February Count Sforza negotiated a treaty with Bekir Sami Bey, head of the Turkish Nationalist delegation to the London Conference. (See Supreme Council.) Italy is given priority with regard to economic concessions in the Sanjaks in Adalia and will permit the use of Turkish capital in enterprises to the extent of 50 per cent. One version of the treaty announces that the Italian government undertakes to support Turkey's claims for the revision of the Treaty of Sèvres, especially as regards the restoration of Thrace and Smyrna. The terms shall come into force upon the conclusion of a peace which Turkey shall accept as giving her an independent existence.

The terms of a defensive treaty between Italy and Jugo-Slavia against Austria and Hungary have been published. They include resistance to any restoration of the Hapsburgs.

The decisions of the Reparations Conference held in Paris and London in January and March have been severely criticized by the Chamber of Deputies. The 50 per cent import tax has been unpopular.

AUSTRIA

On November 20, Dr. Michael Mayer established a provisional cabinet composed of permanent officials and Christian Socialists. The Social Democrats remained outside entirely and the Pan-Germans pledged only conditional support. Early in the year the resignation of the government was expected and on January 11 the Mayer cabinet announced to the Entente it was at the end of its resources. Virtual national bankruptcy, it was said, had forced the government to retire and place the administration in the hands of the Reparations Commission.

The relief of Austria was one of the subjects discussed at the Paris Conference and on January 30 the Supreme Council agreed that the Allies surrender certain financial claims against Austria under the Treaty of St. Germain and also, that an Allied Financial Commission be established to act as an advisory commission to the Austrian government.

France, Great Britain, Italy and Japan, in a declaration March 17, consented to postpone for a period of years their liens on Austria provided other governments, not included in the declaration, took similar steps, the object of this being to release assets for use under the "Ter-Meulen" or International Credits Scheme. Briefly, the scheme provides for the issuance of gold bonds by Austria on security of national property such as mines, forests, tobacco monopolies, customs revenue, etc., which would be administered under the control of the Financial Commission of the

League of Nations. The bonds would be held by the lenders as collateral for their advances. On March 28 the Financial Commission appointed a Commission of Three to investigate the possibility of applying relief measures to Austria, and on April 9 issued a statement to the Allied Powers of the conditions under which the Financial Commission could undertake the task of reestablishing Austrian finances. The Committee of Three at once started work in Vienna and on the publication of its conditions and proposals early in May secured the approval of the Austrian government. The Financial Commission will meet on May 20, when it is expected that the replies of the Allied governments will be received.

The interest of the "Succession States," those states resulting from the former Austro-Hungarian Empire, in the revival of Austria led to a conference in Rome, April 7, composed of delegates of Italy, Jugo-slavia, Czecho-slovakia, Hungary, Austria, Poland, and Rumania. Its discussions were concerned with technical points in the carrying out of the various treaties of peace. It is coöperating with the Financial Commission of the League of Nations to the extent of considering, at a meeting to be held at Porto Rosa, the best means of giving practical assistance to Austria. It will also deal with all questions relating to transport, customs and trade between Austria and the Succession States.

On March 25, the rumor that Czech troops were concentrating on the border was interpreted as due to the marked recrudescence of the German fusion movement in Austria. On April 16 France warned Austria that aid would be withdrawn if the movement for union with Germany was not dropped. The British and Italian ministers supported France and added that the withdrawal of France from any movements of assistance to Austria would mean a complete abandonment of the efforts of the Allies. In the face of this, the advocates of fusion forced through the National Assembly on May 13 an amended act providing for a plebiscite. The measure provides that on a date to be fixed the government shall take a referendum to enable the people to decide whether Austria shall request the League of Nations to sanction such a union with Germany. Agitation over this move, together with the renewed declaration of Styria, Salzburg and Upper Austria that they will proceed with referenda on fusion with Germany on May 28, has brought renewed threats from the Entente. In spite of the efforts of the French to prevent the Tyrolean plebiscite it was taken on April 24 and favored union with Germany by a 98 per cent majority.

HUNGARY

In January, a new party was formed in Budapest by Count Julius Andrássy to demand the restoration of former Emperor Charles and a reunion with Austria. An attempt was made to secure Jewish support by a promise of abandonment of the anti-Semitic campaigns. On March 27, Charles conferred with a

group of royalists in Vienna and on March 30 entered Hungary. In the face of an ultimatum sent Budapest by Rumania, Yugoslavia, Czecho-slovakia and Italy expressly stipulating that the return of a Hapsburg to the throne would be the signal for instant war against Hungary, Regent Horthy failed to hand over the power to Charles. On April 5 the ex-emperor was compelled to leave and seek refuge in Switzerland.

On February 18, negotiations were begun between Austrian and Hungarian plenipotentiaries for the settlement of the German West Hungary dispute. Hungary wishes Austria to consent to a change in the boundaries of that territory as fixed by the Peace Treaty, in exchange for certain economic concessions. It is understood that Hungary will agree to a customs union with Austria but that she insists on retaining possession of the city of Oedenberg. As the time for the transfer of the territory to Austria draws near it is reported that German West Hungary intends to declare itself autonomous at the instigation of the Budapest government in a last effort to avoid surrender. Hungarians who would be elected to office after the declaration of independence and the new government could immediately declare fusion with Hungary.

The Fünfkirchen district, southwest of Budapest and awarded to Hungary by the Peace Treaty, declared itself on December 8 to be the Republic of Baranya under the protection of Yugoslavia, which promises military aid in the event that Hungary attempts to occupy the district.

Hungary, Poland and Rumania signed a defensive alliance against the Bolsheviks on March 1 in Budapest.

CZECHO-SLOVAKIA

In November the Slovaks were reported to have appealed to Poland to mediate with the Supreme Council for them on account of the oppression of the Czechs. According to the arrangement they were to form one state with the Czechs, having in every way equal rights. But they complain that the Czechs have continually pursued a policy of Czecharization of the Slovaks, allowing them no voice in the government, suppressing their national schools and even exercising religious intolerance toward them.

On April 24 it was reported that there existed a secret offensive and defensive alliance between France and Czecho-slovakia to prevent restoration of the Hapsburgs or Hohenzollerns, the development of Bolshevism in Austria or Germany, and the union of these two countries.

The reports of President Masaryk's resignation were untrue. His health compels a short vacation, during which the cabinet will be reorganized and Dr. Benes will become Prime Minister as well as Foreign Minister and will act as the representative of the President.

JUGO-SLAVIA

Following the signing of the Treaty of the "Little Entente" by Czecho-slovakia and Jugo-slavia on August 14, 1920, the following agreements have been entered into, by way of revision and expansion:

1. The annex to the Treaty of Rapallo, signed November 12, by Jugo-slavia and Italy, consisting of a military convention later subscribed to by Czecho-slovakia and Rumania.
2. The Franco-Polish declaration, signed at Warsaw, February 2, which pledged France to aid Poland with war material and officers, in case she should be attacked by Russia.
3. The Rumanian-Polish pact signed March 2, which sixteen days later was developed into a defensive alliance by the adhesion of Czecho-slovakia.

In accordance with the general action determined upon by the Allies at the Paris and London conferences to make collections on the German reparations account, the Jugo-slav government decreed on April 17 the imposition of a 50 per cent tax upon German imports.

An exchange of ratifications of the Treaty of Rapallo took place at Rome on February 2 and the two governments have taken measures for the immediate application of its clauses and have discussed the question of an economic treaty. The evacuation of the portion of Dalmatia allotted to Jugo-slavia is proceeding in perfect order although the Italian troops are accused of taking property such as cattle, etc., along with them.

Jugo-slavia will have a centralized government according to the constitution dictated by Prime Minister Pashitch on April 14. The scheme of federation has been discarded and the chief powers will be lodged in a single assembly elected by universal manhood suffrage. Under the constitution the old internal boundary line will be wiped out and the country will be divided into departments as in France. The limit of population in each is 700,000. Local legislative bodies will exercise departmental authority.

RUMANIA

During the month of January there were a series of flat contradictions with regard to the situation in Bessarabia and the Bolshevik intentions there. Rumania has sent several notes to Moscow regarding the alleged concentration of Soviet troops. Russia repudiates any aggressive plans. Reports dated January 12 from Paris state the Rumanian government declined the invitation of the Soviet government to discuss Bessarabia and other pending questions "in order that peace might be established." The Rumanian government contends there is nothing to discuss in Bessarabia—it is Rumanian and since Rumania is not at war with Russia there is no need of a peace conference.

On March 28 Foreign Minister Ionescu acceded to the Allies' demand that Rumania should tax German goods 50 per cent.

It was reported on February 4 that Poland and Rumania were negotiating a defensive alliance to contain certain economic and commercial features; on February 13 it was said she had agreed to a peace parley with the Soviet government at Reval, the capital of Esthonia.

An economic and military defensive treaty between Czechoslovakia and Rumania was signed in Bucharest on May 1. The treaty is hailed as the completion of the circle of alliances constituting the Little Entente and therefore a guarantee of peace. It also removes the fear of an alliance between Rumania and Hungary.

GREECE

For Turkish-Greek War, see Turkey.

The Venizelos cabinet resigned on November 17 and Prime Minister Rhallis announced his new cabinet on the 19th. Admiral Coundouriotis, the Regent, resigned the same day, to be succeeded by Queen Mother Olga.

The note of Lord Curzon to Premier Leygues on November 28 contained the British disapproval of the recall of Constantine and demanded the Greeks be not allowed to cut down their army or to include any enemies of the Allies in the new cabinet. For further action of the powers, see Supreme Council.

On December 11 Constantine received official notification of the result of the plebiscite of December 5 with an invitation to reascend the Greek throne. Professor Georgios Streit, former Foreign Minister and Constantine's chief adviser during his exile, who is reported to be pro-German, and Captain Stefan Paparrigopolus, Commandant in the Greek navy and Constantine's aide-de-camp, were prohibited from returning in the telegram of invitation to Constantine.

On December 19 Constantine made his triumphal entry into Athens, cheered and acclaimed by the populace. On December 31 Premier Rhallis answered the joint note of the Allies of December 3. The reply was vague and amicable, stating that the feelings of the Greeks toward the Allies were unchanged.

The ambition of both Premier Rhallis and Minister of War Gounaris to head the Greek delegation to the Near East Conference in London (see Supreme Council) on February 21 led to the former's resignation. British opposition to Gounaris, however, compelled him to remain in Greece and M. Kalogeropoulos was elected Premier to be succeeded by Gounaris on April 8.

While the American minister has remained at Athens since the death of Alexander, there has been a lapse of official relations which will not be resumed until the American minister presents new credentials to the Constantine government.

TURKEY AND THE NEAR EAST

The Turkish government has continued to refuse ratification of the Treaty of Sèvres because of its inability to win the support

of the Angora government, but the breach between the two governments is being gradually closed. A delegation sent from Constantinople early in December to negotiate a settlement with Mustapha Kemal Pasha is variously reported to have been held for three months, to have gone over to the Nationalists, and to have returned with unsatisfactory terms. A Pan-Turkish conference was reported as meeting in Rome before the Near East Conference in London (see Supreme Council) and, after complete understanding between the Turkish factions, adopting a set of six resolutions which were transmitted to the French and Italian governments before the Conference. Delegations from both Turkish governments attended the London meetings and effected a direct exchange of views.

The Rhallis Cabinet in Greece voted to continue the offensive against the Nationalists in Smyrna to make good their position under the Treaty of Sèvres. Early in April they suffered a serious defeat in the loss of Eski-Shehr, a junction of the Angora railway, but have reorganized their forces and continue fighting. Aintab was captured by the French after prolonged attack, early in February, and formed a prelude to the treaty of peace signed between the French and Nationalists March 7. The terms of the treaty, arranged during the Near Eastern meeting, call for French evacuation of Cilicia and Adana after cessation of hostilities. They also fix the Turco-Syrian frontier, leaving the Turks in possession of Aintab, Ourfa, Mardin and the Badgad Railway. Reservations are reported by the Angora government May 11 as conditions to ratification but these have not been made known.

For the treaty between Italy and the Kemalists, see Italy.

An armistice between Armenia and the Turkish Nationalists was reported November 7 as the conclusion of a triumphant advance into Armenian territory. Fearing the continuance of the Kemalist advance, the Soviet government entered Armenia to conquer it for itself and on December 2-3 forced the signature of a Soviet-Armenian treaty by which all arms, with the exception of 1500 rifles and a handful of cannon, were delivered to the Bolsheviki, while Armenian territory was reduced to the region around Erivan and Lake Goktcha, even excluding Kars and Alexandropol. A Soviet republic has continued in Armenia, an anti-Bolshevik attempt in February being promptly suppressed. This last decrease in Armenian territory leaves practically nothing for President Wilson to delimit. Armenian delegates presented their claims at the Near East Conference in London but the powers determined to postpone action for a few more months.

Georgia, which held out against the Bolshevik advance so successfully, was finally invaded by Soviet forces for refusing to evacuate the Bortchalo district, territory to be occupied by it by virtue of an agreement with Armenia but only for three months. The Soviet government also stressed the fact that Georgia had arrested communist agitators. Tiflis was taken February 25 and a provisional Soviet government established. Both Turkish Nationalists and Russians cast longing eyes on the port of Batum

and a race between their forces ensued, but the Turks were driven out by the Bolsheviks in the middle of March. Following their success the Russians negotiated a treaty with the Kemalists under which freedom and self-government are promised to all the peoples of the East, while Russia specially pledges herself to "recognize no international agreements affecting Turkey's sovereignty." Turkey gives up to Georgia all suzerainty over the town and district of Batum, to which the fullest autonomy is granted. Turkey is guaranteed free transit for its goods through the port of Batum without the payment of any customs or harbor dues.

The parties to this treaty regard all the former treaties signed between Russia and Turkey as null and void, and Russia frees Turkey from all financial obligations incurred under the Czarist régime.

The Franco-British Convention signed at Paris December 23 is particularly important as settling the "problems raised by the attribution to Great Britain of the mandates for Palestine and Mesopotamia and by the attribution to France of the mandate over Syria and the Lebanon, all three conferred by the Supreme Council at San Remo." It stipulates the transfer of the Syrian desert, constituting the southern part of Syria and bordering on Palestine, from a French to a British mandate, and the construction of a British railway linking Palestine with the Mesopotamian railway system. This sets a precedent for the transfer of mandate territory from one power to another by mutual agreement without the sanction of the League of Nations and makes possible an all British mail route to India. The treaty also provides for a commission to readjust "the frontier in the valley of the Yarmuk River to make possible a pipe line connecting Palestine." The boundary commission is reported to have met and to have arranged for French control of the territory on the northern border of Palestine and of the supply of water from the Yarmuk River.

The draft mandate for Palestine, made public by Great Britain February 5, announces that the mandatory nation shall have all powers inherent in a sovereign state, that it shall be responsible for foreign relations, and that it shall grant the widest measures of self-government for all localities. The mandatory assumes the responsibility of seeing to it that no Palestine territory be ceded, leased, or otherwise subjected to any foreign power; that Jewish immigration shall be facilitated; that the civil and religious rights of all the inhabitants, irrespective of race or religion, shall be safeguarded, and that there be no discrimination against the nationals of any states belonging to the League of Nations. Then the mandatory is responsible for taxation, commerce, and navigation, whilst disputes under the mandate provisions, not settled by negotiations, are to be submitted to the Permanent Court of International Justice established by the League of Nations. The mandatory is further required to make an annual report to the League of Nations Council on the measures taken during the year.

A declaration of policy in the House of Commons in November stated that British troops would be kept in Persia only if the Anglo-Persian agreement should be ratified, and that the new Parliament, then in process of election in Persia, would be asked to act on the agreement early in the year. Popular opposition to the agreement developing, the Shah attempted to abdicate and the Premier to resign, but both officials were persuaded to remain in office after a new cabinet had been formed. The Parliament has failed to ratify the agreement with Britain, but has accepted a treaty with Soviet Russia signed February 26, whereby Russia gives to Persia valuable state property and grants renunciation of all treaties, loans, concessions and economic agreements formerly entered into with the Czarist government. This clause adds that the Soviet government considers null and void all conventions and agreements concluded by the former government of Russia with third powers for the harm of Persia and concerning her. A Cossack force captured Teheran in February and set up a new ministry whose first act was the abrogation of the Anglo-Persian agreement. British troops left Teheran May 1.

An Afghan-Russian treaty has been concluded granting Afghanistan a large annual allowance from Soviet Russia and the loan of technical and other instructors. Afghanistan will have seven consulates in Central Asia and European Russia; both parties agree not to enter with a third power into a military or political agreement which would be detrimental to one of the contracting parties. To offset this it is announced that the Amir has been persuaded by the Indian government to receive a British mission to draw up a "treaty of permanent friendship."

CHINA

In the closing months of 1920 the famine that had begun in five of the North China provinces grew violently worse, making necessary extensive relief plans for 45,000,000 people who were threatened with starvation. Measures undertaken chiefly by Americans improved the situation appreciably.

Late in 1920 it appeared that the Chinese Consortium would be blocked because of the refusal of the western powers to concede to Japan the exclusive political claims she had been insisting upon in Manchuria and Mongolia. In November, 1920, the Chinese Finance Minister announced his intention of floating a domestic loan as the terms of the Consortium were unsatisfactory. On March 30 the text of the arrangement was made public after two years of diplomatic correspondence. The terms of the Consortium include disbandment of the standing armies; reunion of the northern and southern governments; assignment of a part of the loan to the southern provinces; supervision by representatives of the Consortium of the expenditure of the loan; pledging of the surplus of the salt gabelle, of customs duties and other income to guarantee repayment of the loan. The document is silent as to the carrying out of the contract and there is little to show to what

extent the Powers will control Chinese revenue, although the United States in launching the movement declared the vital necessity of not interfering with the political and economic autonomy of the Chinese Republic.

Early in November, China protested to Japan against the escape of General Hsu Shu-cheng, leader of the Anfuites, from the Japanese legation in Peking, but Japan promptly denied all responsibility.

On March 29, after a long political struggle, the Chinese government permitted the Federal Telegraph Company, an American concern, to erect a wireless station at Shanghai. This move had been opposed by Japan and Denmark.

By the end of April the control of the Peking government had virtually passed into the hands of Generals Chang Tsao Lin, Tsao Kun, and Wang Chan Yuen, and reports were current during May that they were completing negotiations for an agreement or an alliance with Japan.

On May 15 Sun Yat Sen, elected President of the Chinese Republic on April 7 by the Constitutional Parliament in Canton, sent a manifesto to the governments of the world in which he denounced the military conspiracy between the Peking government and the Japanese and called for the recognition of his authority. The retirement of the Russian ministers and consul from China gives China a greater degree of control over the Chinese Eastern Railway. The change in the status of the road is shown by the fact that its administration has substituted the Chinese silver dollar for the Russian ruble. In December the Chinese government sent a note to Tokio demanding the withdrawal of Japanese troops from the vicinity of this railway. Japan agreed to evacuate as soon as China could give adequate guarantees that order would be maintained on the Chinese Eastern Railway and that the property and interests of Japanese nationals would be protected. As Japan is to be the judge, the time of evacuation is uncertain.

JAPAN

In November the new Japanese-American agreement, as negotiated by Ambassadors Shidehara and Morris, was reported completed, and soon after Viscount Uchida assured the Diet in Tokio that the agreement would be formally accepted and would nullify the California anti-alien law. The new American administration, however, has deferred all action on the issue to date. It is believed the report recommends that the existing commercial treaty with Japan be so amended as to give Japanese nationals resident in the United States the "civil" rights enjoyed by the nationals of other countries and that the existing Japanese-American "gentleman's agreement" be revised so as to exclude Japanese immigrants from the United States, Canada and Hawaii, but admitting them, as heretofore, to the Philippines.

In spite of the steady agitation of the Kenseiki and other political and industrial groups, the Japanese government continues

to occupy Siberia's Maritime Provinces. In February, Premier Hara refused to consider a change in this policy and soon after the War Department announced it was sending one more division of troops into Korea as part of the permanent garrison there.

In spite of the industrial depression in Japan, the government at the end of March approved the largest military budget in the country's history. Army and navy combined receive in the current fiscal year a little more than one-half of the gross national income, or more than 811,000,000 yen. The naval program commits Japan to spend 73 per cent more than the United States and 140 per cent more than Great Britain on fighting ships during the year.

Because of the acuteness of the Yap controversy and the apparently interventionist tendency of the American administration in Far Eastern affairs, the Japanese militarists began making overtures to the Chinese militarists early in the spring, with the idea of effecting an understanding, if not an alliance. During the first weeks in May, a general conference of Japanese military, naval, diplomatic and consular officers was held in Tokio, during which informal statements were issued to the effect that Japan was about to withdraw completely from Shantung and to cancel moneys due her from China.

FAR EASTERN REPUBLIC

A new state, the Far Eastern Republic, duly organized at Chita by constitutional methods and undertaking to maintain a representative government over the vast region of Siberia east of Lake Baikal to Vladivostok and the Pacific Ocean, and including the territories of Trans-Baikalia, Pre-Baikalia, Amur, Pre-Amur, Maritime Provinces and the island of Saghalien, formally announced its existence on March 29 through a note to the American legation at Peking. The note asked for friendly relations with the United States and for an exchange of trade commissioners between Chita and Washington.

The republic is an outgrowth of the attempt to set up a "buffer state" in Siberia. Vladivostok and the Maritime Provinces, at first antagonistic to the idea, voluntarily subjected themselves to Chita and in the general election held on January 9 a National Constituent Assembly was created, meeting at Chita on February 12 and at once forming a democratic government. Hostility to the Japanese military occupation is strong and a note has been sent to Tokio demanding that a definite date be set for the withdrawal of Japanese troops.

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